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**UNITED STATES DISTRICT COURT**  
**DISTRICT OF NEVADA**

SECURITIES AND EXCHANGE  
COMMISSION;

Plaintiff,

vs.

CAPSOURCE, INC., et al.

Defendants.

CASE NO. 2:20-CV-02303-RFB-DJA

**ORDER TO LIFT STAY OF  
LITIGATION FOR A LIMITED  
PURPOSE**

Plaintiff Securities and Exchange Commission and Receiver Geoff Winkler of American Fiduciary Services, in his capacity as court-appointed Receiver (the "Receiver") for Defendant CapSource, Inc., stipulate and agree that:

1. On August 26, 2022, the Court issued its Order Appointing Receiver, in which the Court appointed Geoff Winkler receiver of Defendant CapSource, Inc. *See* ECF No. 17.

2. CapSource is a defendant in a lawsuit pending in the Eighth Judicial District Court of the State of Nevada styled *CAC Investment Ventures, LLC, et al. v. Andrew Jolley, et al.*, Case No. A-19-802088-B (the "CAC State Court Action"). Stephen Byrne and Andrew Jolley are also named as defendants in the CAC State Court Action.

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1 The Order Appointing Receiver includes a Stay of Litigation, (*see* ECF No. 17, ¶29),  
2 whereby all persons are stayed from commencing, prosecuting, or continuing, until further Order  
3 of this Court:

4 All civil legal proceedings of any nature...involving...(c) any of the  
5 Receivership Defendants, including subsidiaries and partnerships; or  
6 (d) any of the Receivership Defendants' past or present officers,  
7 directors, managers, agents, or general or limited partners sued for, or  
8 in connection with, any action taken by them while acting in such  
capacity of any nature, whether as plaintiff, defendant, third-party  
plaintiff, third-party defendant or otherwise...

9 3. The CAC State Court Action is a civil legal proceeding involving CapSource as  
10 a defendant and is therefore subject to the Stay of Litigation. The CAC State Court Action also  
11 involves claims against Stephen Byrne and Andrew Jolley relating, in part, to actions taken by  
12 Byrne and Jolley as officers, directors, managers, or agents of CapSource. These claims involve  
13 CapSource's issuance of certain loans to Panorama WON, LLC, and Byrne and Jolley's  
14 involvement in the procurement and issuance of these loans.

15 4. The CAC State Court Action was scheduled to begin trial before the Honorable  
16 Nancy Allf on August 30, 2022. Notice of the Order Appointing Receiver was filed in the CAC  
17 State Court Action, and the Action was accordingly stayed before trial began.

18 5. The parties in the CAC State Court Action have had ongoing discussions to  
19 determine if trial of the Action may proceed without violating this Court's Stay of Litigation.

20 6. Accordingly, the plaintiffs in the CAC State Court Action have agreed to proceed  
21 to trial against all named defendants other than CapSource, and plaintiffs agree that no claims  
22 against CapSource will be tried or determined in the CAC State Court Case.

23 7. Additionally, to the extent the CAC State Court Action asserts claims against  
24 Byrne and Jolley related to their roles as officers, directors, managers, or agents of CapSource,  
25 those claims will not proceed in the trial. Plaintiffs may proceed with any claims against Byrne  
26 and Jolley to the extent that such claims are unrelated to their role as officers, directors,  
27 managers, or agents of CapSource. Plaintiffs may proceed with any claims and theories where  
28 loans to Panorama Won, LLC from CapSource are referenced. For example and not by way of

1 limitation, claims and theories against Byrne and Jolley alleging they, as officers, directors,  
 2 managers, or agents of Panorama Won, LLC ("PanWon"), breached fiduciary duties to PanWon  
 3 based on the loan PanWon obtained from CapSource.

4 8. By limiting the scope of the claims in the CAC State Court Action to exclude  
 5 claims asserted against CapSource and against Byrne and Jolley as officers, directors, managers,  
 6 or agents of CapSource, the parties believe the CAC State Court Action may proceed to trial  
 7 without infringing upon the Receiver's ability to perform his duties in marshaling and preserving  
 8 the assets of CapSource in this proceeding.

9 **ACCORDINGLY, IT IS STIPULATED AND REQUESTED** by the parties through  
 10 their undersigned counsel of record that the Stay of Litigation be lifted for the limited purpose  
 11 of permitting the CAC State Court Action to proceed to trial: (1) against all parties other than  
 12 Capsource, Inc. and (2) against Stephen Byrne and Andrew Jolley for claims that are unrelated  
 13 to their roles as officers, directors, managers, or agents of CapSource. Plaintiffs may proceed  
 14 with any claims and theories where loans to Panorama Won, LLC from CapSource are  
 15 referenced. For example and not by way of limitation, claims and theories against Byrne and  
 16 Jolley alleging they, as officers, directors, managers, or agents of Panorama Won, LLC  
 17 ("PanWon"), breached fiduciary duties to PanWon based on the loan PanWon obtained from  
 18 CapSource.

19 Dated this 9th day of ~~January~~ February, 2023

20 **GREENBERG TRAURIG, LLP**

21 */s/ Kara B. Hendricks*

22 KARA B. HENDRICKS,  
 23 Nevada Bar No. 7743  
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27 *Attorneys for Receiver Geoff Winkler*

February  
 Dated this 9th day of ~~January~~ February, 2023

**SECURITIES & EXCHANGE  
 COMMISSION**

*/s/ Terry Miller*

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*Attorneys for Plaintiffs Securities and  
 Exchange Commission*



IT IS SO STIPULATED AND AGREED

Dated this 8 day of <sup>FEB</sup>January, 2023

Dated this 8 day of <sup>FEB.</sup>January, 2023

GREGORY P. HERLEAN  
*Defendant*

STEPHEN J. BYRNE  
*Defendant*

ACKNOWLEDGED BY

Dated this \_\_\_\_ day of January, 2023

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LLC, Cris Cannon and David Zebrowski in Case  
No. A-19-802088-B pending in the Eighth  
Judicial District Court of Clark County, Nevada*

IT IS SO ORDERED.

UNITED STATES DISTRICT JUDGE

Dated this \_\_\_\_ day of \_\_\_\_\_, 2023

**IT IS SO STIPULATED AND AGREED**

Dated this \_\_\_\_ day of January, 2023

*signature on previous page*

GREGORY P. HERLEAN  
*Defendant*


Dated this \_\_\_\_ day of January, 2023

*signature on previous page*

STEPHEN J. BYRNE  
*Defendant*

**ACKNOWLEDGED BY**

Dated this 27 day of January, 2023

  
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LLC, Cris Cannon and David Zebrowski in Case  
No. A-19-802088-B pending in the Eighth  
Judicial District Court of Clark County, Nevada*

**IT IS SO ORDERED.**

  
DANIEL J. ALBREGTS  
United States Magistrate Judge

Dated this 23rd day of February, 2023.